SHRI K. YERRANNAIDU: Mr. Chairman, Sir, I have visited U.P. and reviewed the entire drinking water situation. There is a lot of opening balance money with Uttar Pradesh. Money is no problem for U.P. There is not a single scheme pending with the Union Government. For any requirement, prepare a project and send it to the Government of India, we will look into it and we will sanction it. At present, there is a lot of money with the U.P. Government. Even this year we are releasing Rs. 1.33 crores under ARWS. They have a lot of money as opening balance. Money is no problem with regard to U.P. This is the information available.

SHRI SHIV CHARAN MATHUR: Do you mean to say that there is no problem for other States also?

SHRI K. YERRANNAIDU: For U.P. *(interruptions)*

श्री शिवचरण सिंह: राजस्थान का क्या होगा जहां पानी है ही नहीं।...**(व्यवधान)**...

राजस्थान जहां रेगिस्तान है, जहां पानी है ही नहीं वहां का क्या होगा?

SHRIMATI RENUKA CHOWDHURY: U.P.'s unused money should be given to A.P. *(interruptions)*

श्री शिवचरण सिंह: यू०पी० को दे दिया और राजस्थान के लिए क्या करेंगे?

MR. CHAIRMAN: I will call another Member. *(interruptions)* I have called another Member.

SHRI YERRA NARAYANASWAMY: Mr. Chairman, Sir, part (a) of my question is, in the coastal districts of Andhra Pradesh acquaculture has developed in a large way. Saline water and brackish water have seeped into most of the drinking water sources. In the coastal areas mostly fishermen community and weaker sections live. They are suffering without pure drinking water. Is there any special programme or project with the Central Government?

Part (b) of my question is, there is Kolleru lake surrounded by West Godavari and Krishna. There are 145 villages in that area. Kolleru lake had pure water previously. Since 20 years the industrial pollution has completely polluted it. There is no drinking water source for most of the villages. I want to know if there is any special project with the Government of India.

SHRI K. YERRANNAIDU: Mr. Chairman, Sir, I have already mentioned about salinity projects for each district. Regarding West Godavari, one proposal for Narasapur area costing Rs. 15.43 crores came. Only one project is pending with the Government of India with regard to West Godavari project. Regarding Kolleru area also one proposal came costing Rs. 5.68 crores. We will clear that project also. There are two projects pending with the Government of India with regard to coastal areas. We will clear these two projects also. So far no other project is pending.

SHRI YERRA NARAYANASWAMY: What about Krishna District?

SHRI K. YERRANNAIDU: Kolleur project comes under Krishna District only.

Review of ongoing projects relating to infrastructure and Core Sector

303. DR. B.B. DUTTA: Will the Minister of PLANNING & PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether Government have reviewed the status of major on going projects in the field of infrastructure and core sector;

(b) if so, the brief particulars of such projects, Ministry/Department-wise, with the original and the latest cost estimate, the original target date and the latest estimated target date for completion;

(c) the reasons for the cost and time over run; and

(d) the steps taken since the last review to reduce the over-run?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING & PROGRAMME IMPLEMENTATION (SHRI YOGINDER K. ALAGH): (a) and (b) Yes Sir, Department of Programme Implementation is monitoring major and mega projects in the central sector in the field of infrastructure and core sector. As on 30.9.96, there were 186 major and mega projects on the monitor of Department of Programme Implementation. Out of 186 projects 92 projects are having cost overrun of Rs. 22073 crores and 103 projects were delayed by 1 month to 125 months with reference to their latest approved schedule. A summarised table showing Ministry/Department-wise cost and time overrun in projects is at annexure. [*See Appendix 179, annexure No. 40]*

(c) Projects face various problems causing time and cost overruns. List of various factors leading to time and cost overruns is enclosed (Statement-1) (*see below*).

(d) Measures are taken from time to time for reducing time and cost overruns. A list of such measures is at Statement-2.

Statement-1

The various causes for delay in the completion of projects, identified by the DPI, as a result of monitoring and analysis of the reports received from project authorities, can be summed up as follows:

I. Delay in land acquisition.

II. Delay in obtaining forest/ environment clearance and lack of supporting infrastructure facilities.

III. Delay in tie up of adequate funds and sources of funds (Budgetary internal resources, extra budgetary and external aid).

IV. Delay in finalisation of detailed engineering, release of drawings and delay in availability of fronts.

V. Changes in scope.

VI. Delay in tendering, ordering and equipment supply.

VII. Industrial relations and law and order problems.

VIII. Delay and uncertainty in feed stock supply.

IX. Pre-commissioning teething troubles.

X. Technology problems.

XI. Geological surprises.

The following are major causes of Cost escalation:

I. Changes in rates of foreign exchange and statutory duties.

II. Higher cost of environmental safeguards and rehabilitation measures.

III. Higher cost of land acquisition.

IV. Change in the scope of project.

V. Higher prices being quoted by the bidders in certain areas.

VI. Under estimation of original cost and

VII. General price rise.

Statement-2

Steps taken by the Government to streamline for preparing the original estimates and implementation of projects for reducing overrun

(i) Two-stage project approval.

(ii) On line computerised monitoring system is being implemeted.

(iii) Intensive monitoring of projects at various levels to identify constraints and take remedial measures.

(iv) Formation of Empowered Committees with adequate financial powers.

(v) Review by the Committee of Secretaries of the specific projects facing constraints.

(vi) Setting up of project management team with tenure co-terminus with

the gestation period of the project.

(vii) Improving contract management system.

(viii) Delegation of powers to field level executives.

DR. B.B. DUTTA: Sir, the picture of planning in our country has become very dismal and whatever statistics have been given by the Minister, I would like to add one or two more to them and then I will ask my supplementaries. Sir, in the Central sector alone—this information was given by the hon Minister last month in reply to another question—in 1993, out of 352 projects, 188 were delayed projects, in 1994 out of 371 projects, 200 were delayed projects, in 1995 out of 370 projects, 211 were delayed prjects and in 1996 out of 401 projects, 199 are delayed project. So, 50 per cent of the projects which are in the Central sector are delayed projects. They suffer from time overruns or cost overruns. Ultimately, everything is cost overrun. It is a huge loss to the economy. Sir, I would like to draw the attention of the Miniser to the picture in major surface irrigation. More than two-thirds of the projects are delayed, awfully delayed and the picture is even more dismal. If we come to the key infrastructure sector, the picture is equally dismal.

Sir, the hon. Minister has given some statistics. But, the figures that I have are different from what he has given. Sir, I find that out of 337 projects in infrastructure and key infrastructure sectors, 158 are suffering from time overruns and 119 are suffering from cost overruns. Sir, I would like to know whether we have retained planning in this country or whether we have bidden a good-bye to planning. What does the word 'planning' mean? What is the concept of planning? There is a target time in planning, there is a financial component in planning, there is a physical component in planning. But, from the stock reply that is being given from time to time, we find that we have abandoned planning. In view of these facts, I would like to know from the Minister whether we have abandoned planning.

SHRI YOGINDER K. ALAGH: Mr. Chairman, Sir, there can be no question of abandoning planning. However, I must admit that the hon. Member has raised some fairly serious issues. Particularly in the area of major and medium irrigation projects, there has been very little advance in terms of potential created in the Eighth Five Year Plan on account of reasons that the hon. Member has given. I am very happy that we have been able to persuade the Union Minister of Finance to have included in this year's Annual Plan an Advanced Irrigation Benefit Programme the objective of which is that Rs. 800 crores will be given to selected irrigation projects. There I want to give him an assurance that the money has been given to the States and they have to give it to the Department of Programme Implementation. The actual progress that they will make in the next two or three years, will be monitored by the Central Water Commission with the assistance of the Department of Programme Implementation. Similarly, Rs. 100 crores have been given for medium irrigation projects. There the State Governments have to give us an assurance that the water will flow to the fields in one of the four crop seasons that are coming. It will be our endeavour to see to it in this approach where additional funds are given, that they are related with specific achievements and they become part of the Ninth Five Year Plan.

As far as the figures are concerned, Sir, I have the latest figures. In fact, the figures given by the hon Members are pretty close to the figures, which I have given. But, if he likes, I can always sit down and sort them out with him because the Department of Programme Implementation places its latest status report in the Parliament Library.

So, they are the only figures which are very close to mine. Sir, there are certain kinds of approach suggested by a group of Ministers on delay in cost overruns. For examples, one of the major approaches that they have suggested is, if projects have been delayed by 60 months, or less 5% of money has been spent, then either they should be shelved or should be given to private sector. I think we have to be realistic about it and we should have those projects which we can implement and we must follow them up through in detail. I assure the hon. Member that there can be no question of giving up planning. Thank you.

DR. B.B. DUTTA: Sir, the kind of explanation given by the hon. Minister about the occurrence of delay, about the time overrun and cost overrun is not very convincing. Sir, I would like to tell you that last month while answering a similar type of question, the hon. Minister had submitted 15 causes as submitted by the Department of Programme Implementation. If we go through this, we find what could have happened about the conceivable causes during the time of Adam Smith, what is happening today and what can happen two hundred years later are all same. All kinds of causes and all kinds of things—land problem, law and order problem, price rise, tax rise, etc.—are there in a seminal list. Sir, if you go through the list you will realise that it is not the kind of monitoring that is required to be done. Today, in the answer to this question, the number of causes have come down from 15 to 11 for time overrun and it has come down from 8 to 7 for cost overrun. This is the variation in six months but the answer remains the same. Even in answering one of these questions, the hon. Minister has said, "We cannot calculate precisely what is the actual loss to the nation's economy due to such delay." This is preposterous. Why cannot we calculate? If we conceive a project, if we make an investment, then we know the income generation process, we know the multiplying process, we know how to work it out and we can calculate the reverse process as well.

MR. CHAIRMAN: Mr. Dutta, please put your question.

DR. B.B. DUTTA: Sir, my question is this.

Hon. Minister, you said in the press—in the month of July—that you are going to improve the situation by bringing in improved contract system, improved accountability system, at the lower levels, that you would take some other measures. What precise measures have you taken in your tenure to improve the situation? Also kindly tell us regarding monitoring and implementation.

SHRI YOGINDER K. ALAGH: Mr. Chairman, Sir, the following measures have been taken at different levels and I would like to mention them to the hon. Member, through you. It is true that there are very large number of reasons which lead to cost and time overruns because they differ from project to project. But the Committee of Secretaries look at the reasons for each project and then they tried to push it through. I can explain to the hon. Member that at my level I have taken up the whole question of Haldia and Barauni pipelines and I have written to the project authorities and to the Chief Ministers concerned, because there was a question that a few farmers were holding up the land acquisition. This is a serious problem and this has to be addressed. For example, I have taken up, at my level, the whole question of Ahmedabad—Baroda Express way. Again, I am happy to report to the hon. Member that there has been some progress but I think it would be wrong if I claim that we have made enormous progress. The only assurance that I can give to the hon. Member is, there are specific reasons for each project which are routed through first at the level of the Department of Programme Implementation with some fairly senior officials, then at the level of the

Committee of Secretaries of different departments and the State Governments are addressed on these issues and in some cases where I see longer delays, and where I think my intervention is required, at my level, I also write with the kind of specific examples I have given. There is one further progress that we have made which I would like to report. It is that, we are trying to see that in the memoranda of understanding which are signed between the Government and the project authorities, the time and cost schedules also become a question of statement in the annual performance targets because, as the hon. Member knows, the particular public enterprise is then responsible in terms of achieving those targets in the annual plan.

Finally, it will be the endeavour of the Ministry of Planning and Programme Implementation to persuade the Planning Commission that these issues are highlighted in the Approach Paper to the Ninth Five Year Plan and in the Ninth Plan itself. I hope that we will have an opportunity to present this Approach Paper to both Houses of Parliament to get a detailed feedback.

We are grateful to the hon. Member for having taken so much of interest in this somewhat complex issue.

SHRI GOPALSINH G. SOLANKI: Mr. Chairman, Sir, the projects are planned and approved by the Central and State Governments and then they are taken up. But after some time, the projects are not pursued further either for want of funds, to be allocated by the Planning Commission, or, on account of some dispute with the contractor. In this connection, I would like to know from the hon. Minister whether the Central Government would take up those projects. It would be very much in the interest of the public to recognise those projects as national projects, to be taken up by the Central Government.

SHRI YOGINDER K. ALAGH: I did not get the last point.

SHRI GOPALSINH G. SOLANKI: I would like to know from the hon. Minister whether the Central Government would recognise those project, which are incomplete as national projects.

SHRI YOGINDER K. ALAGH: Mr. Chairman, Sir, as I said, if 60 per cent of the gestation period of the project is over; and less than 5 per cent only of the money has been spent, I think it would be wise on our part to recognise that we have not been able to make progress.

As far as national projects are concerned, I would like to bring to the attention of the hon. Member that for major irrigation projects.....

SHRI GOPALSINH G. SOLANKI: The Sardar Sarovar Project, for example.

SHRI YOGINDER K. ALAGH: I am coming to that. I do not want to go into individual projects right now. As far as major irrigation projects are concerned, the Central Government has now taken on the responsibility of providing some funds, which the State Governments have to match. This is the real meaning of the Advance Irrigation Benefit Programme. The Sardar Sarovar Project is one such project to which, this year, the Central Government has given—if I remember correctly—Rs. 90—95 crores extra. Therefore, in the case of large irrigation projects, for practical purposes, what happens is this. This year, the Central Government is saying that they are going to give the State Governments support to complete these projects; particularly, those projects where, if you put in concerted efforts, you will get benefits in the next few years. We would try our level best that this becomes our objective in the

Ninth Plan.

SHRI GOPALSINH G. SOLANKI: Sir, I seek your protection. I would like to know whether the Government is thinking of recognising the Sardar Sarovar Project as a national project.

SHRI AJIT P.K. JOGI: Not without rehabilitating the tribals who are being displaced.

SHRI GOPALSINH G. SOLANKI: I am not asking you, Mr. Jogi. *(Interruptions)*

SHRI AJIT P.K. JOGI: The tribals are being uprooted.

MR. CHAIRMAN: Let the hon. Minister answer.

SHRI AJIT P.K. JOGI: You cannot complete the project without rehabilitating the tribals.

SHRI JOGINDER K. ALAGH: Sir, I would request the hon. Member for a certain amount of understanding of what I am saying.

Let me first answer the hon. Member who has raised the issue of rehabilitation. In all these irrigation projects, approval is given by the Planning Commission with the *pari passu clause* i.e. construction is phased in relationship to rehabilitation. But, for large irrigation projects, including the Sardar Sarovar Project, fairly substantial sums, additionally, have been given by the Government of India in the annual plan this year. Of course, this should be matched by the State Government also.

Now, the objective of saying that a project should be a national project is that a joint endeavour should be made to complete them.

So, I am asking him to appreciate that the Advanced Irrigation Benefit Programme announced in this year's budget—our intention is to attempt to continue it in the Ninth Five Year Plan — meets to a major extent the question that he is raising.

DR. (SHRIMATI) BHARATI RAY: The total loss to our economy due to the time and cost over-run is a staggering figure. My simple question is that there should be some accountability somewhere. What steps have been taken to fix and ensure accountability?

SHRI YOGINDER K. ALAGH: I think the hon. Member is raising an important issue. To the extent, for emaple, that we are able to introduce in the annual memorandum of understanding specific targets of project implementation for the public sector, the hon. member will appreciate, the poject authoreities become responsible for achieving those targets. Also, it has to be appreciated that there should be better contract management procedures. For example, the National Thermal Power Corporation, a Government of India public enterprise, has had a very good performance of completing projects on schedule, and that is because it follows professional contract management procedures rather than going through very elaborate procedures which can sometimes create more problems rather than resolving problems. So, I think, the attempt is to move in a direction where the hon. Member's objectives are achieved.

SHRI PRANAB MUKHERJEE: Sir, while replying to the earlier supplementary, the hon. Minister stated that the Special Central Assistance would be extended to the nationally important irrigation projects even during the Ninth Plan. In that context, I would like to know the form in which the Special Central Assistance would be extended to the States, whether it would be on the basis of a co-sharing formula or assistance to identified nationally important irrigation projects would constitute a component of the formula—based Central assistance. Why I am referring to this is that prior to 1980, 10 per cent of the Central Plan assistance was earmarked for nationally important irrigation and power projects. From the

total assistance to be made available for items like poverty criteria etc., a component was for the nationally important irrigation and power projects. But in 1980 the National Development Council decided that no such component should be there. The amount earmarked for that component was distributed on the poverty criteria. Therefore, I would like to know from the hon. Minister what the mode of assistance would be to finance the nationally important irrigation projects.

SHRI YOGINDER K. ALAGH: I want to clarify this once again so that there is no misunderstanding on this issue that the Advanced Irrigation Benefit Programme which the Government of India has implemented this year, provides Rs. 800 crores for making significant advanced in major irrigation projects. I am trying to submit for the hon. Member's consideration that it meets in a big way the demand that he is raising of calling a project a national project because basically what one is saying is that you want substantial sums of money to be given to achieve some objectives, say, to complete a canal system and so on. Another Rs. 100 crores has been given for major, medium and small projects. This is outside the formula-based assistance that the hon. Member was referring to. We think this is so much of a national priority because, if you look at the figures, the achievement on irrigation in the Eighth Five Year Plan has been very dismal, particulary in canal irrigation. We felt that the agricultural potential needs to be given special emphasis. At present I am speaking on behalf of the Department of Programme Implementation. It would be our desire that such schemes should be apart from the Ninth Five Year Plan, but, of course, as you know, the Plan has to be finalised by the Planning Commission. Then it will go up to the Union Cabinet and the N.D.C. for approval. I wish we get time to table and to discuss it in the Rajya Sabha and in the Lok Sabha, where we would welcome comments from the hon. Members.

SHRI DIPANKAR MUKHERJEE: Sir, in the reasons given for delay in implementation of projects, point No. 1.9 has been given as 'pre-commissioning teething troubles'. I would like to know whether the hon. Minister is aware that a particular fertiliser project, where Rs. 800 crores had been invested, is being abandoned after pre-commissioning teething troubles. Does the Government take this as an action taken in order to cut down time and cost over-runs to abandon the project? Is he aware of any such project in fertilisers?

SHRI YOGINDER K. ALAGH: Sir, it would be better if the hon. member gives the name of the project. As far as the Department of Programme Implementation is concerned, project-level details are contained in...

SHRI DIPANKAR MUKHERJEE: Haldia Fertiliser Project. Rs. 800 crores have been invested on it. Its commercial commissioning was going on. Because of pre-commissioning problems it was stopped. After that there was no investment and no commercial production was carried on. Now, it has been decided to abandon that project. My specific question is whether the hon. Minister is aware of it or not. If yes, I would like to know whether this is the action that is being taken to cut down cost and time over-runs. If you are not aware, kindly say so.

SHRI YOGINDER K. ALAGH: We are now talking about 400 projects. if you want to get when information on a particular project.....

SHRI DIPANKAR MUKHERJEE: I would like to know whether it is the policy to abandon a project when there is a pre-commissioning delay.

SHRI YOGINDER K. ALAGH: Sir, the more important issue is first to check up the facts.

SHRI DIPANKAR MUKHERJEE: Is

it the policy to abandon? Say 'yes' or 'no'. If you say 'no', it is all right.

SHRI YOGINDER K. ALAGH: The more important issue is to check up the facts.

SHRI DIPANKAR MUKHERJEE: Is it the policy to abandon a project if there is a pre-commissioning problem? This is a very specific question, Mr. Minister.

SHRI YOGINDER K. ALAGH: On this particular project, the information that I have is that it has been referred to the BIFR. I would like to check up whether it was commissioned or not.

SHRI DIPANKAR MUKHERJEE: Mr. Chairman, Sir, I want your protection. I am not talking about the question of referring it to the BIFR. I am talking about a policy decision. To cut down the cost and time over-runs are you going to abandon a project, if there is a pre-commissioning delay?

SHRI YOGINDER K. ALAGH: Sir, we have taken only one policy decision and that is if a project has crossed 60 per cent of its gestation period and if less than five per cent of the money has been spent on it, then that project should be shelved or it should be considered for privatisation. But, there is no decision whatsoever that a project, which has been completed, should be shelved. If in an individual case, there is a problem, we will have to look into it.

SHRI DIPANKAR MUKHERJEE: Kindly look into this case.

SHRI YOGINDER K. ALAGH: I will look into that case. I will look into the Haldia-Barauni Refinery.

SHRI DIPANKAR MUKHERJEE: No, it is not refinery. It is fertiliser.

Improvements in the Nuclear Reactors Suggested by IAEA

*304. SMT. VEENA VERMA:
SHRI SUSHIL KUMAR
SAMBHAJIRAO SHINDE:

Will the PRIME MINISTER be pleased to state:

(a) whether the International Atomic Energy Agency (IAEA) has declared that all the nine power reactors of India fall among the 50 least reliable reactors in the world;

(b) if so, what specific improvements were suggested by the IAEA, to make them reliable; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE OF THE MINISTRY OF SCIENCE AND TECHNOLOGY (SHRI YOGINDER K. ALAGH): (a) No, Sir.

(b) and (c) Do not arise. IAEA does not give any suggestions to improve the reliability of power reactors.

श्रीमती वीणा वर्मा: सर, मंत्री जी के जवाब में अंतर्राष्ट्रीय स्तर पर विश्वसनीयता के आधार पर जवाब "नहीं" में है, लेकिन मैं मंत्री जी का ध्यान दिलाना चाहती हूं कि डा० गोपालकृष्णन, जो अभी लास्ट चेयरमेन थे और रिटायर हुए, उन्होंने अपने लास्ट स्टेटमेंट में, अपने पीरिएड में तो वह नहीं कह पाए, लेकिन उन्होंने लास्ट डे रिएक्टर के बारे में, पावर प्लांट और रिएक्टर के बारे में बहुत सी डेफिसिएन्सी, 130 डेफिसिएन्सी के बारे में ध्यान दिलाया था, खासतौर से सेफ्टी डेफिसिएंसी के बारे में।

महोदय, हमारा जो इंडियन एटॉमिक एनर्जी कमीशन है, उसमें ही सारी रेग्युलेटरी अथॉरिटी है। मैं मंत्री महोदय से यह पूछना चाहती हूं कि क्या सरकार इस एक्वॉटामिक एनर्जी रेग्युलेटरी बोर्ड को इंडिपेंडेंट बनाने पर विचार करेगी जिससे सेफ्टी रेग्युलेशन्स की विश्वसनीयता की जो कमी है, उसको दूर किया जा सके और उनको अच्छी तरह से रेग्युलेट किया जा सके?

SHRI YOGINDER K. ALAGH: Mr.

*The Question was actually asked in the floor of the House by Shrimati Veena Verma.